charge tariffs, the billing and collection of access charges, the distribution of access charge revenues, or the operation of a billing and collection pool on an untariffed basis shall be deemed to be authorized association activities.

(c)-(e) [Reserved]

- (f) The association shall also prepare and file an access charge tariff containing terms and conditions for access service and form for the filing of rate schedules by telephone companies that choose to reference these terms and conditions while filing their own access rates.
- (g) The association shall divide the expenses of its operations into two categories. The first category ("Category I Expenses") shall consist of those expenses that are associated with the preparation, defense, and modification of association tariffs, those expenses that are associated with the administration of pooled receipts and distributions of exchange carrier revenues resulting from association tariffs, those expenses that are associated with association functions pursuant to §69.603 (c)-(g), and those expenses that pertain to Commission proceedings involving subpart G of part 69 of the Commission's rules. The second category ("Category II Expenses") shall consist of all other association expenses. Category I Expenses shall be sub-divided into three components in proportion to the revenues associated with each component. The first component ("Category I.A Expenses") shall be in proportion to the Universal Service Fund and Lifeline Assistance revenues. The second component ("Category I.B Expenses") shall be in proportion to the sum of the association End User Common Line revenues, the association Carrier Common Line revenues, the association Special Access Surcharge revenues, the Long Term Support payments and the Transitional Support payments. Beginning July 1, 2002, Interstate Common Line Support revenues shall be included in the allocation base for Category I.B expenses. The third component ("Category I.C Expenses") shall be in proportion to the revenues from all other association interstate access charges.
- (h)(1) The revenue requirement for association tariffs filed pursuant to

- $\S69.4(c)$  shall not include any association expenses other than Category I.A Expenses.
- (2) The revenue requirement for association tariffs filed pursuant to §69.4 (a) and (b)(2) shall not include any Association expenses other than Category I.B Expenses.
- (3) The revenue requirement for association tariffs filed pursuant to §69.4(b) (1) and (3)–(7) shall not include any association expenses other than Category I.C Expenses.
- (4) No distribution to an exchange carrier of Universal Service Fund and Lifeline Assistance revenues shall include adjustments for association expenses other than Category I.A Expenses.
- (5) No distribution to an exchange carrier of revenues from association End User Common Line or Carrier Common Line charges, Special Access Surcharges or Long Term Support or Transitional Support payments shall include adjustments for association expenses other than Category I.B Expenses. Beginning July 1, 2002, Interstate Common Line Support shall be subject to this provision.
- (6) No distribution to an exchange carrier of revenues from association interstate access charges other than End User Common Line and Carrier Common Line charges and Special Access Surcharges shall include adjustments for association expenses other than Category I.C Expenses.
- (7) The association shall separately identify all Category I.A, I.B and I.C expenses in cost support materials filed with each annual association access tariff filing.

[54 FR 8197, Feb. 27, 1989, as amended at 54 FR 8199, Feb. 27, 1989; 62 FR 41306, Aug. 1, 1997; 63 FR 70578, Dec. 21, 1998; 66 FR 59733, Nov. 30, 2001]

## § 69.604 Billing and collection of access charges.

- (a) Telephone companies shall bill and collect all access charges except those charges specified in §§69.116 and 69.117.
- (b) All access charges shall be billed monthly.
- [51 FR 9012, Mar. 17, 1986, as amended at 52 FR 21543, June 8, 1987]